

**Testimony for Bill # 1019- . *AN ACT REQUIRING BIODIESEL-BLENDED HEATING OIL AND DIESEL FUEL***

My name is Daniel Falcone, I am a Board Member of The Connecticut Bio-diesel and Bio-heat Association. A member of the Environmental Business Association, Vice-Chair of Policy for the Bio-Fuels Industry Committee in New York and a member of the Clean Cities Program in Connecticut, New York and New Jersey. I have a wholesale and retail distribution company in New York and Connecticut and have been distributing a B20 Bio-heat fuel and a B5-B20 Diesel fuel product for over 2 years. These fuels follow strict ASTM requirements and have been producing very favorable responses from my customer base. I have been a strong advocate of Bio-diesel to the private and public sectors and believe strongly in supplementing our dependency on foreign fuel not only for our national security but for the reinvestment in our energy independence.

I would like to share some information and facts on Bio-diesel that you may not have been aware of. Bio-diesel is a more specific term that refers to an alternative diesel fuel made from fats and oils. Most bio-diesel is made from either soybean oil, waste animal fat, used cooking oil or some combination of the three. In 1998 the Department of Energy did a study showing that bio-diesel use would yield a 78% reduction in carbon emissions. The American Lung Association in Washington DC, released a finding that bio-diesel exhaust was 90% less toxic for people to breathe than exhaust from petroleum fuels which would significantly lower the incidence of emphysema, asthma and premature death for our children. According to the EPA, each gallon of bio-diesel we burn instead of diesel fuel will remove about 17 pounds of Carbon Dioxide from our air. If the State of Connecticut uses approximately 1.3 Billion gallons of Heating oil and Diesel fuel combined, a 2 % blend mandate, would not only supplement 26 million gallons of petroleum fuel but remove 442 million pounds of carbon. This carbon reduction would be equivalent to removing 28000 cars off the road. This is only on a 2% blend. A USDA-funded study released just last month, which uses the same test protocols as the 1992 National Renewable Energy Laboratory's study, indicates that bio-diesel's energy balance has now increased to 4.56 to 1, meaning only one unit of energy is needed to create more than four units of bio-diesel. This is the highest energy balance of any commercial fuel made in the United States.

Pennsylvania and Massachusetts have already taken steps forward with blending requirements and I believe this is the perfect time for Connecticut to set its own mandate. Our industry is looking to raise the State's standards for cleaner and renewable fuels. Our President has picked 3 Areas for investment to help America get back on track, Education, Healthcare and Energy reform. Energy reform starts with change. A 2 % mandate is would help private investment and expansion in the middle market distribution, and give an economic boost to a deprived economy. We keep waiting for Wall Street to recover before we respond, I believe this is the perfect time to raise ourselves above our circumstances and set a goal to rejuvenate our energy supply and become more economically independent. By establishing a mandate Connecticut would trigger investment in production, storage and distribution. Establishing positive environmental and economic stewardship and create jobs. Nationally, bio-diesel production has supported over 50,000 jobs in all sectors of the economy. Has added \$4.287 billion to the Gross Domestic Product (GDP); displaced 38.1 million barrels of

petroleum; generated \$866.2 million in tax revenue for federal, state and local governments; and reduced green house gas emissions by 11.28 million tons. Connecticut has an opportunity to help add to these numbers and help support our energy and economic independence. Let us move forward and establishing an avenue of growth and expansion. I want to thank the committee for allowing me the opportunity to speak and am willing to help answer any questions you may have.